



***Remembering the Impact of Hurricane Katrina  
on Minority Businesses***

August 23, 2006

Remarks of Ronald N. Langston, National Director  
Minority Business Development Agency

*(606 words)*

- Hello, this is Ron Langston, National Director of the Minority Business Development Agency, U.S. Department of Commerce, in Washington, DC.
- August 29<sup>th</sup> marks the one-year anniversary of Hurricane Katrina, which changed the lives of many Americans. In tribute to those who were overcome by the fury of Hurricane Katrina and to those who survived the destruction, MBDA is rededicating itself to rebuild and restore minority business enterprises the Gulf Region.
- As the National Director of the only federal agency created specifically to foster the establishment and growth of minority-owned businesses in America, I am

particularly committed to reestablishing minority firms in the Gulf region and increasing the role that minority-owned businesses can make in rebuilding a stronger Gulf region.

- Over the course of the last year, MBDA has been on the ground assisting displaced and affected minority businesses with applications for disaster relief, emergency loans and insurance claims. Additionally, we have identified procurement and investment opportunities and sponsored educational and capacity building forums.
- To date, MBDA has provided services, of one kind or another, to almost 7,000 firms and invested over \$1.0 million in the Gulf region to provide technical and managerial assistance, including the establishment of a satellite office in New Orleans and one in Baton Rouge, Louisiana.
- We expect to further our reach by opening a new Minority Business Enterprise Center to serve minority business entrepreneurs in Alabama and Mississippi.

- Together with local, state and federal partners, MBDA is helping minority businesses in the Gulf Region to reestablish and grow. We partnered with SBA, the Kauffman Foundation, and the private sector to host Business-to-Business Forums in New Orleans and Biloxi. The purpose of these Forums is to foster and facilitate joint ventures between 8(a) firms in Louisiana and Mississippi with larger MBE firms from across the country in order to successfully compete on large contracts again to help rebuild the Gulf.
- These two Business to Business Forums attracted over 400 minority-owned businesses and strategic growth firms. Our business development specialists will be tracking their success in securing forecasted public and private contract opportunities.
- Prior to Katrina, the US Census and MBDA reported that there were about 59,000 minority-owned firms in Louisiana that generated over \$6 million in total annual gross receipts and employed about 58,000 workers. In Mississippi, there were 74,000 firms that generated close to \$56 million in gross receipts.

- At MBDA, we are committed to the economic revitalization of MBEs in the Gulf region through procurement opportunities, access to capital and job creation. Already, we have successfully secured contracts and financial actions for MBEs in the amount of over \$25 million and another \$10 million in the pipeline.
- Like the President, I recognize that Hurricane Katrina was one of the worst natural disasters in our Nation's history. It caused unimaginable devastation and heartbreak throughout the Gulf Coast Region. A vast coastline of towns and communities were decimated.
- That is why on August 29<sup>th</sup>, when MBDA also kicks off National Minority Enterprise Development Week at the Omni Shoreham Hotel in Washington, DC, we will recommit the Agency and its resources to rebuilding the Gulf region.
- Because when we rebuild minority businesses, we rebuild our communities and strengthen our Nation's economy.

- We have many challenges ahead as we rebuild the Gulf. But I believe together we can build a stronger Gulf by helping minority businesses reemerge and compete. MBDA is that strategic partner who will assist minority businesses locally and nationally.
- On behalf of Secretary Carlos M. Gutierrez and President George W. Bush . . . . Thank you.